

The Influences of Corporate Social Responsibility on Firm Performance Measured by Balanced Scorecard: An Evidence of Hotel in Thailand's Southern Border Provinces

Muttanachai Suttipun, Ph.D.

Lecturer, Faculty of Management Sciences,
Prince of Songkla University, Thailand

Apitchaya Maithong, Nasree Manae, Nusrreya Samang, and Tusneem Srirat

Student, Master of Business Administration, Faculty of Management Sciences,
Prince of Songkla University, Thailand

Abstract

The study aimed to investigate the extent and level of corporate social responsibility and firm performance measured by balanced scorecard of hotels in Thailand's Southern border provinces, and to examine the influences of corporate social responsibility and firm performance measured by balanced scorecard. Population was the hotels in the five Southern boarder provinces of Thailand. By simple random sampling, 130 hotels were used as the sample of this study. Descriptive analysis and multiple regression were used to analyze in this study. The findings indicated that corporate social responsibility in terms of consumer, fair operation, employee, and environment were at a high level, while society and community was at a moderate level. Performance measured by balanced scorecard of hotels in the five Southern boarder provinces of Thailand was at a high level. Moreover, employee, environment, and society and community responsibilities had a positive significant influence on the corporate performance, while there was a negative significant influence of hotel age on the corporate performance measured by balanced scorecard.

Keywords: corporate social responsibility, balanced scorecard, hotel, Thailand's southern border provinces

Introduction

The concept of corporate social responsibility (CSR) has already changed the way of corporate actions and activities. In today's world, the main goals of corporation are not merely focusing on only its economy, but also social and environmental impacts (Suttipun, 2014). Social and environmental management, therefore, are included as one of corporate strategies for sustainable development (Islam and Deegan, 2010). The corporation, which can balance its economic, social, and environmental perspectives well, will be able to have better reputation, higher financial and non-financial performance, competitive advantage, and economic value added (Thaipat, 2017). For example, Rodriguez and Cruz (2007) and Claver-Cortes et al. (2007) found that the corporation with greater social and environmental responsibility can earn higher performance and reputation than the other corporations without such responsibilities. The concept of CSR,

therefore, is expanded from country to country, and from corporation to corporation (Rattanajongkol et al., 2006).

In Thailand, many business units are forced by their stakeholder demands to have CSR, especially those in tourism and hotel industry (Naklerd and Suttipun, 2016). There are a number of important ideas why CSR concept should be taken into account when operating hotels in Thailand (Pattanachak, 2011; Somset et al., 2013). Firstly, tourism and hotel industry is one of the main industries in Thailand that create more jobs and reduce income inequality (Somset, 2011). Secondly, Thai tourism and hotel industry has normally focused on natural resources and environment rather than cultural tourism or the way of living tourism (Hetthong, 2017), therefore, society and environment impact will be directly influenced by the industry. Third, there are several problem of social and environmental impact coming from tourism and hotel industry, such as the changes of living way, foreign labor problem, and conflict of interest between local community, tourist, and entrepreneur (Pattanachak, 2011). Finally, Thai government aims the tourism and hotel industry to be one of the main export products to the world population (Economic Tourism and Sport Division, 2017).

One advantage of having CSR in hotel is an increase of firm performance. Many previous studies found that there was a positive relationship between CSR and firm performance (Claver-Cortes et al., 2007; Kang et al., 2010; Somset, 2011). However, most studies had focused on only financial performance (Pattanachak, 2011; Raksasuk, 2011; Suttipun, 2014) rather than non-financial performance (Suttipun and Sittidate, 2016). This is due to the fact that financial performance is easy to be calculated and compared, and can serve the interests of the firm's main stakeholders including shareholders, investors, and creditors. Moreover, financial performance is set as a mandatory practice by governing bodies. However, there are a number of limitations of financial performance such as inferior ability to predict future events, incapability to serve all stakeholders, and disregard of sustainable development. There are some performance measurement tools that can better measure both firm's financial and non-financial performance introduced by Kaplan and Norton (1996) namely Balanced Scorecard (BSC). The BSC can solve the problem of having only financial performance as it considers performance from four perspectives: financial; customer; internal process; and learning and growth. The link between CSR and BSC was mentioned by Kang et al. (2015) as "the BSC can be leveraged to support the CSR view of corporate management". Moreover, the BSC is able to provide an excellent platform that can be easily enhanced by the firms in order to focus on all stakeholders rather than some particular groups of stakeholders (Deegan, 2001). However, there were fewer evidences investigating the influences of CSR on BSC (Kang et al., 2015; Hetthong, 2017).

In previous literatures, mixed results in relation to CSR outcomes were found (Rodriguez and Cruz, 2007, Claver-Cortes et al., 2007, Lee and Park, 2009, Kang et al., 2010, Somset, 2011, Somset et al., 2013). On one hand, having CSR in corporations can lead to better reputation and image, and serve a wider range of stakeholder demands. It resulted in corporations' higher performance, value, and sustainability (Rodriguez and

Cruz, 2007, Claver-Cortes et al., 2007). On the other hand, CSR may cost the corporations in terms of higher expenses, which will eventually cause lower performance (Lee and Park, 2009, Kang et al., 2010). Moreover, performance measurement of corporations was generally focused on only financial performance rather than non-financial performance (Patanachak, 2011, Jirawuttinunt, 2014); therefore, the literatures about relationship between CSR and firm performance and/or value (See Raksasuk, 2011, Arunruangsirilert, 2012) tended to choose financial performance as their proxies such as ROA, ROE, profit margin, and Tobin's Q. Nevertheless, there have been fewer studies using both financial and non-financial performance as corporate performance (Kang et al., 2015, Hetthong, 2017). The research problem of using hotels in Thailand's Southern border provinces was mentioned. One of the top destinations for tourists travelling to Thailand is the South of Thailand where it is best known for its beautiful natural resources, beaches and tropical islands. Still, for the Thailand's Southern border provinces the provinces, which are on the east side (Pacific Ocean side), they seem to be able to attract less tourists than those provinces located along the west coast (Indian Ocean side); hence, there have been less attention and fewer studies related influence of CSR on performance of the provinces on the east side.

From the research problems above, there are two main objectives in this study that are (1) to investigate the extent and level of CSR and firm performance measured by BSC of hotels in five Thailand's Southern border provinces, and (2) to examine the influence of CSR on firm performance measured by BSC. To answer the research questions, the study provides two main questions as (1) what is an extent and level of CSR and performance measured by BSC of hotels in five Thailand's Southern border provinces, and (2) is there the influence of CSR on performance measured by BSC. There are several contributions expected from the study. First, the study's results will shed light on CSR practice of hotels in Thailand, and the influence of CSR practice on hotels' performance in both financial and non-financial perspectives. Second, the study's findings may be able to explain how the stakeholder theory is used to explore the influence of CSR on firm performance measured by BSC. The study's results, finally, will provide a guide for hotels to consider CSR as a tool to enhance their performance. The concept framework of the study is indicated in Figure 1.

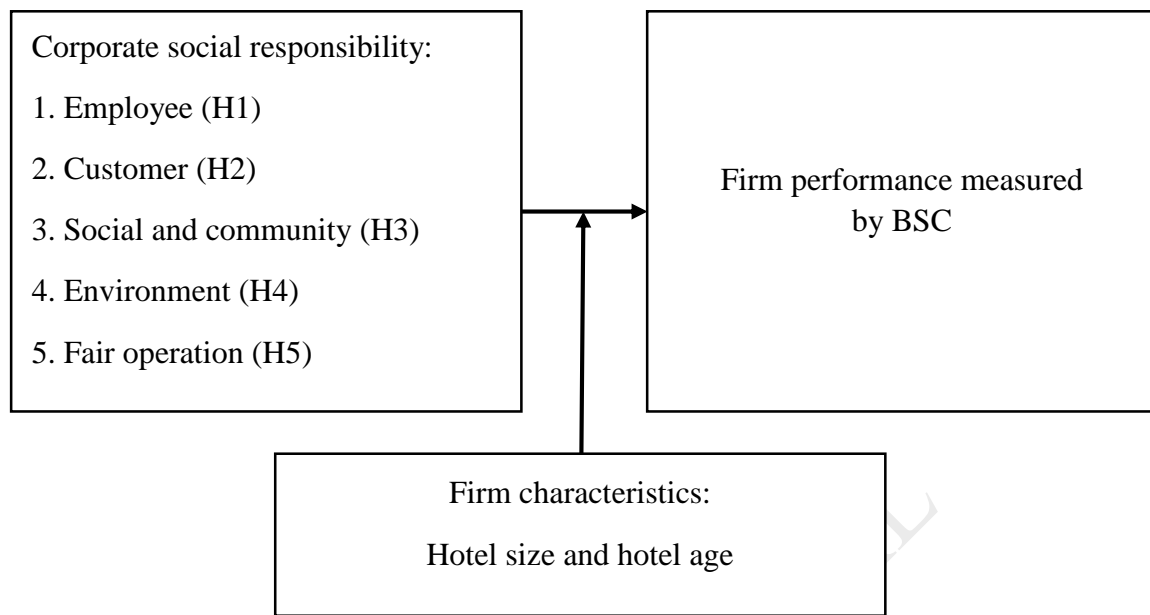


Figure 1: Conceptual framework of study

The structure of this study is started from theoretical perspective, following by corporate social responsibility in Thailand, literature review and hypothesis development, methods, findings and discussions, and summaries and suggestions.

Theoretical Perspective

Although there were several theories that were used to explain the extent and level of CSR practice of hotels, and the relationship between CSR and firm performance in the prior studies such as stakeholder theory (Ratanajongkol et al., 2006, Islam and Deegan, 2010, Suttipun, 2015), legitimacy theory (Guthrie et al., 2006, Deegan, 2001), media setting agenda theory (Joshi and Gao, 2009, Suttipun, 2014), and agency theory (Jensen and Meckling, 1976, Mele, 2008), the stakeholder theory is used in this study. The stakeholder theory can explain why the corporation performs its actions and activities following the stakeholder demands. This is because the corporation is a part of broader social system with various groups of stakeholders. Each stakeholder group has a right to receive the corporate actions and activities in which they are interested, although the power of each group is different (Ratanajongkol et al., 2006). The stakeholder groups of corporation can be separated as owners or shareholders, creditors, suppliers, customers, labors, competitors, government and government organizations, society and community, charities, environment and environmental lobbies, and future generations (Suttipun and Nuttaphon, 2014). When the demands of stakeholders are served, they will positively return to corporation in terms of greater reputation, higher performance, better corporate value, competitive advantage, and sustainability (Islam and Deegan, 2010).

To explain the influence of CSR on performance of hotels in this study, once hotels try to provide the actions and activities in order to best serve the demands of various groups of stakeholders such as employees, environment, and society and community; those stakeholders will pay back to hotels with higher performance both in terms of financial and non-financial performance (Suttipun, 2014).

Corporate Social Responsibility in Thailand

The concept of corporate social responsibility (CSR) has become the part of corporate actions and activities in any corporations around the world (Suttipun and Nuttaphon, 2014; Suttipun and Sittidate, 2016). This is because social and environmental responsibility management is included as one of corporate strategies for sustainable development. Moreover, the corporations, which would like to balance their economic, social, and environmental perspectives well, will be able to reach greater reputation, higher financial and non-financial performance, competitive advantage, and economic value added (Thaipat, 2017). By research studies, Rodriguez and Cruz (2007) and Claver-Cortes et al. (2007) found that the corporation with greater social and environmental responsibility can earn higher performance and reputation than the other corporations without such responsibility. The concept of CSR, therefore, is expanded from country to country, and from corporation to corporation (Rattanajongkol et al., 2006).

In Thailand, CSR is promoted and supported by the government and related governing bodies (Suttipun, 2014). One of the key public-interest organizations ran by the government that promotes and encourages CSR in Thailand is Thaipat Institute. The main aim of the institute is to help corporations balance between their economy, society, and environmental, and reach the sustainable development (Thaipat, 2017). Moreover, Thaipat Institute attempts to change the corporations from having only CSR after process to CSR in process. The institute has also launched the guideline of CSR for the corporations (Arunruangsirilert, 2012), which view and separate CSR into five issues as employee, customer, environment, society and community, and fair operation (Thaipat, 2017).

The prior literatures of CSR in Thailand were limited within some areas. For example, Suksin (2005), Pattanachak (2011), Somset et al. (2013), Jirawuttinunt(2014), Suttipun, (2014), and Suttipun and Sittidate (2015) tested the relationship between CSR practice and/or disclosure and financial performance. Somset (2011), Tongkachok and Chaikhew (2013), and Suttipun and Nuttaphon (2014) examined the influence of corporate characteristics on CSR practice and/or reporting. Chamnankij and Suttipun (2016), and Naklerd and Suttipun (2016) investigated the effect of corporate governance on CSR practice and/or disclosure. However, no study investigates the extent and level of CSR practice and corporate performance measured by BSC of hotels in Thailand's Southern border provinces, and the prior study has not tested the influence of CSR practice on corporate performance measured by BSC in Thailand yet.

Literature Review and Hypothesis Development

Even though several previous related studies indicated the relationship between CSR practice and financial performance (Rodriguez and Cruz, 2007, Claver-Cortes et al., 2007), the effect of CSR on corporate value (Raksasuk, 2011, Arunruangsirilert, 2012), and the correlation between CSR practice and corporate image or reputation (Siltaja, 2006); there were fewer literatures that tested the influence of CSR practice on corporate performance measured by both financial and operational (non-financial) performance indicators (Kang et al., 2015, Hetthong, 2017). Therefore, this study aimed to study not only the extent and level of CSR practice and corporate measured by BSC of hotels in the Thailand's Southern border provinces, but also to test the influence of CSR practice on corporate performance measured by BSC.

The logical reason on positive influence of CSR on firm performance by BSC is mainly because when the firms try to provide the actions and activities to serve stakeholders' demands and expectations in various groups by utilizing CSR to serve their employees, environment, and society and community, those stakeholders are expected pay back the firms with higher performance both financially and non-financially (Suttipun, 2014). Moreover, the BSC can resolve the problems of having only financial performance by firms as it captures performance within four perspectives: financial; customer; internal process; and learning and growth. The link between CSR and BSC was mentioned by Kang et al. (2015) as "the BSC can be leveraged to support the CSR view of corporate management". The BSC can also provide an excellent platform that is easily enhanced for the firms to focus on all stakeholders rather than some groups of stakeholders (Deegan, 2001). However, there were fewer evidences investigating the influences of CSR on BSC (Kang et al., 2015; Hetthong, 2017).

Therefore, to test the influences of CSR on firm performance by BSC, there were three groups of variables. On the independent variables, the CSR practice in this study was divided into five categories as adapted from Thaipat Institute (2012), consisting of employee, customer, environmental, social and community, and fair operation responsibilities (Suttipun and Nuttaphon, 2014, Suttipun, 2015). For dependent variable, corporate performance measured by BSC, created by Kaplan and Norton (1996), was used. The BSC is used to measure the corporate performance in both financial and operational (non-financial) perspectives (Kaplan and Norton, 1996), separated into four main dimensions: finance; customer; internal process; and learning and growth. Moreover, there were the other two control variables used in this study from the hotel's characteristics, including hotel's size measured by number of hotel rooms and hotel age (Suttipun and Nuttaphon, 2014). Thus, there were five hypotheses constructed in the study.

Employee

Most prior studies (See Pattanachak, 2011, Raksasuk, 2011, Jirawuttinunt, 2014) found that there was a positive relationship between CSR practice in employee-related

issue and corporate performance. This is because if the corporations can develop and respond to their labors well by providing proper training and development, labor and workplace security, and human resource management, the labors will work better and harder for their corporations (Islam and Deegan, 2010). The results can be proved with higher and greater performance. However, Suksin (2005) found no significant relationship between CSR practice in employee issue and corporate performance. Therefore, this study aims to examine that:

H1: There is a positive influence of CSR in employee issue on firm performance measured by BSC.

Customer

There were mixed results of relationship between CSR practice in customer issue and corporate performance in the prior related studies. On one hand, Pattanachak (2011), Aguinis and Glavas (2012), and Kang et al. (2015), supported by the stakeholder theory, found the positive effect of CSR practice in terms of customer on corporate performance. The positive influence can be explained by the link between action of firms (CSR in terms of customer) and reaction of stakeholder (BSC in customer perspective) (Kang et al., 2015). When the firms can respond to the expectation of their customers, the customers will enhance their values resulting in improved reputation, financial and non-financial performance, and loyalty (Suttipun, 2014). On the other hand, Suksin (2005) and Jirawuttinunt (2014) did not find any relationship between CSR in customer issue and corporate performance. Therefore, to test the research problem in Thai context, the study hypothesizes that:

H2: There is a positive influence of CSR in customer issue on firm performance measured by BSC.

Environmental

Claver-Cortes et al. (2007), Kang et al. (2015), and Hetthong (2017) found that there was a positive relationship between CSR in terms of environment and corporate performance. Based on the stakeholder theory, the corporations have to serve not only their shareholders, creditors, and investors, but also the new group of stakeholders (Suttipun, 2014). The new group of stakeholders included the environment and environmental lobbyist. In tourism and hotel industry in Thailand, without natural resources and good environment, tourists may decide to not visit and travel in Thailand. Therefore, the hotels need to balance between their economic and environmental impacts well. Moreover, corporate environmental management is mandated by the Thai government and governing bodies through the system of waste management, energy and material management, and pollution management (Thaipat, 2017). However, Suksin (2005) and Pattanachak (2011) cannot find any influence of corporate environmental responsibility on corporate performance. Therefore, the study hypothesizes that:

H3: There is a positive influence of CSR in environmental issue on firm performance measured by BSC.

Social and community

Most prior related studies found positive influence of CSR in terms of social and community on corporate performance (Pattanachak, 2011, Somset et al., 2013, Kang et al., 2015, Jirawittinunt, 2014, Suttipun, 2015). The reason of such relationship between social and community responsibility and corporate performance in that the corporations can be explained from the benefit received from tax planning from social and community responsibility such as social investment, and/or community donations (Suttipun and Nuttaphon, 2014). Helping society and community can also make the corporations have higher reputation and enhancing competitive advantage. From the reasons above, the corporations can claim the benefit from higher corporate performance by having CSR on society and community. However, Suksin (2005) and Raksasuk (2011) found no relationship between social and community responsibility and corporate performance. Thus, the study aims to test that:

H4: There is a positive influence of CSR in social and community issue on firm performance measured by BSC.

Fair operation

There were mixed results of previous related studies about the influence of CSR in terms of fair operation on corporate performance. On one hand, Nasi et al. (1997) and Pattanachak (2011) found positive relationship between fair operation responsibility and corporate performance. The fair operation responsibility consists of fair competition, transparency to supplier and producer, political participation, and anti-corruption (Thaipat, 2012). The reason of positive influence of fair operation on corporate performance can be explained by the stakeholder theory. It is because there are various groups of stakeholder who can force the corporations to provide actions and activities; therefore, if the corporations can react what their stakeholders want, they will earn greater performance (Islam and Deegan, 2010). On the other hand, Suksin (2005) and Somset et al. (2013) did not find any relationship between fair operation responsibility and corporate performance. Thus, this study willing to test that:

H5: There is a positive influence of CSR in fair operation issue on firm performance measured by BSC.

Methods

The population was all hotels (458 hotels) located in Thailand's Southern border provinces, which consisted of Songkhla, Pattani, Satun, Yala, and Narathiwat provinces (Ministry of Tourism and sport, 2017). Using simple random sampling by lottery method, 180 hotels were selected as the sample of the study (Department of Provincial Administration, 2017). Mail questionnaire was used to collect data from each sample

during January to February 2018. The questionnaire was adapted from previous related studies (Suksin, 2005, Pattanachak, 2011, Somset, 2011, Nitchapansri and Kleechaya, 2012, Suttipun and Nuttaphon, 2014, Plaisuan, 2015). The questionnaire was separated into three sections: (1) general information of the hotel, (2) the extent and level of corporate social responsibility, and (3) the extent and level of performance measured by BSC. The general information of the hotel consisted of number of rooms, hotel age, location, and star rating. The data in section two and three were measured by five-point Likert scale, in which 5 as highest level, 4 as high level, 3 as moderate level, 2 as low level, and 1 as lowest level (Srisa-sard, 2010). The rating scale of this study was adapted from the prior related studies (Hetthong, 2017; Srisa-sard, 2010; Suksin, 2005), consisting of five levels: 4.51-5.00 as highest level, 3.51-4.50 as high level, 2.51-3.50 as moderate level, 1.51-2.50 as low level, and 1.00-1.50 as lowest level. The drafted questionnaire was sent to three experts to review its reliability and creditability. In addition, the questionnaire was also tested for Cronbach's (1951) coefficient alpha (0.788). There were three groups of variables which corporate social responsibility in terms of employee, consumer, environment, society and community, and fair operation as independent variables; performance measured by BSC as dependent variable; and hotel size and hotel age as control variables. Variable measurement of this study was indicated in Table 1.

Table 1

Variable measurement

	Variable- Independent	Proxy
1	Employee	Five-point Likert scale
2	Consumer	Five -point Likert scale
3	Environment	Five-point Likert scale
4	Society and community	Five-point Likert scale
5	Fair operation	Five -point Likert scale
	Variable- Dependent	Proxy
1	Balance scorecards	Five-point Likert scale
	Variable- Control	Proxy
1	Size of hotel	Number of hotel rooms
2	Hotel age	Age of hotel

Descriptive analysis and multiple regression were used to analyze the data in this study. Descriptive analysis, mean and standard deviation (SD), was used to investigate the extent and level of CSR and firm performance measured by BSC of hotels in Thailand's Southern border provinces (Suttipun, 2014). Multiple regression was used to test the influence of CSR on corporate performance measured by BSC. There were two equations as:

$$\text{BSC} = a + b_1\text{Employee} + b_2\text{Consumer} + b_3\text{Environment} + b_4\text{Society} + b_5\text{Fair operation} + \text{error} \quad (\text{Model A})$$

$$\text{BSC} = a + b_1\text{Employee} + b_2\text{Consumer} + b_3\text{Environment} + b_4\text{Society} + b_5\text{Fair operation} + b_6\text{Size} + b_7\text{Age} + \text{error} \quad (\text{Model B})$$

In addition, the study also tested the sensitivity analysis using each perspective of BSC consisting of financial, customer, internal process, and learning and growth perspectives.

Findings and Discussions

From 180 questionnaire mailed to the samples, there were 139 respondents (77.22 percent). However, only 130 completed responses (72.22 percent) were used to analyze. The mean, as shown in Table 2, of CSR in terms of consumer (4.434), following by fair operation (4.189), employee (4.020), and environment (3.818) was at a high level, while society and community (3.453) was at a moderate level. The average firm performance measured by BSC of hotels in five Southern border provinces of Thailand was at a high level. For each individual perspective, while customer and learning and growth perspectives were at a high level; financial and internal process perspectives were at a moderate level.

Table 2

Descriptive analysis

Variables- CSR	Min.	Max.	Mean	SD.
Employee	1.8	5.0	4.020	.674
Consumer	2.3	5.0	4.434	.584
Environment	1.0	5.0	3.818	.773
Society and community	1.0	5.0	3.453	1.024
Fair operation	2.0	5.0	4.189	.692
Variables- BSC				
Financial	1.0	5.0	3.436	.874
Customer	1.0	5.0	3.870	.860
Internal process	1.0	5.0	3.463	.981
Learning and growth	1.0	5.0	3.664	.885
Average	1.0	5.0	3.594	.877

To test for multicollinearity between the variables employed in this study, table 3 displayed the correlations among eight variables, consisting of one dependent variable, five independent variables, and two control variables. By using fixed effect model of panel testing, the variance inflation factors (VIF) of the correlation matrix between the variables was 3.863, which indicates that there was no multicollinearity which would be indicated by a VIF exceeding 10. Based on the correlation coefficients among the variables, there was a positive correlation between BSC, employee, consumer, environment, society, and fair operation at 0.01 level, while a negative correlation

between BSC and age at 0.05 level. However, there was no correlation between BSC and size at 0.05 level.

Table 3

Correlation matrix

Variable	1	2	3	4	5	6	7	8
1. BSC	1							
2. Employee	.691**	1						
3. Consumer	.327**	.520**	1					
4. Environment	.721**	.637**	.346**	1				
5. Society	.724**	.614**	.235**	.735**	1			
6. Fair operation	.348**	.412**	.451**	.331**	.331**	1		
7. Size	.069	-.071	.004	.021	-.022	-.296**	1	
8. Age	-.231*	-.113	-.207*	.001	.056	-.113	.191	1

** is significant at 0.01 level, and * is significant at 0.05 level

The result of multiple regression shown in Table 4 was to test the influence of CSR on firm performance measured by BSC in Model A; and control variables of hotel's characteristic consisting of hotel's size (number of rooms), and hotel's age (number of years) were added to be considered in Model B. Both model provided a high level of independent variables' ability to forecast dependent variable with R square and Adjust R square of 67.70, and 65.70 percent in Model A, and 71.50 and 69.30 in Model B. The results in both models showed that CSR in terms of employee, environment, and society and community had a significant positive influence on the performance measured by BSC at 0.01 level. On the other hand, the study did not find any significant influence of consumer and fair operation issues on hotel's performance measured by BSC at 0.05 level. In Model B, by adding two control variables, the significant negative influence of hotel's age on performance measured by BSC was found at 0.01 level; however, no influence was found for hotel's size on performance measured by BSC at 0.05 level.

The result of positive influence of CSR in labor issue on firm performance in this study was in accordance with Pattanachak (2011), Raksasuk (2011), and Jirawuttinunt (2014) who found that there was a positive relationship between CSR practice in employee issue and corporate performance. It is due to the fact that if the corporations can develop and respond to their labors well with training and development, labor and workplace security, and human resource management, the labors will work better and harder for their corporations (Islam and Deegan, 2010), and, in turn, resulting in greater performance.

This study found the positive influence of CSR in environmental issue on firm performance, which was consistent with Claver-Cortes et al. (2007), Kang et al. (2015), and Hetthong (2017). Supported by the stakeholder theory, the corporations have the responsibility to serve not only their shareholders, creditors, and investors; but also the new group of stakeholders (Suttipun, 2014) such as environment and environmental

lobbyist as well. In tourism and hotel industry in Thailand, without natural resources and good environment, tourists may not come to travel in Thailand. As a result, the hotels need to balance between their economic and environmental impacts. Moreover, corporate environmental management is mandated by the Thai government and governing bodies through a number of mandatory practices, such as system of waste management, energy and material management, and pollution management (Thaipat, 2017).

The result of positive influence of social and community on firm performance was consistent with previous related studies (Pattanachak, 2011, Somset et al., 2013, Kang et al., 2015, Jirawittinunt, 2014, Suttipun, 2015). The rationality of such relationship between social and community responsibility and corporate performance is that the corporations can be benefited from tax planning from social and community responsibility such as social investment, and/or community donations (Suttipun and Nuttaphon, 2014). Helping society and community can also make the corporations earn higher reputation and gain competitive advantage, which will ultimately lead to higher corporate performance.

Even though the study did not find any influence of CSR in customer and fair operation on firm performance measured by BSC, the study was in line with Suksin (2005), Somset, 2013, and Jirawuttinunt (2014). This may be because the hotels have adopted the CSR into their business just to comply with regulations pressured by the governing bodies rather than for direct economic and non-economic benefits (Suttipun, 2014; Suttipun and Sittidate, 2016). Therefore, to summarize the test of hypotheses, there were three accepted hypotheses which are H1, H3, and H4; while H2, and H5 were rejected in both models.

The standardized coefficients of multiple regression in the influence of CSR on corporate performance measured by BSC were indicated in the two equations as follows:

$$\text{BSC} = .371 + .311 \text{ Employee} + .056 \text{ Consumer} + .254 \text{ Environment} + .329 \text{ Society} + .027 \text{ Fair operation} + \text{error} \quad (\text{Model A})$$

$$\text{BSC} = .362 + .285 \text{ Employee} + .003 \text{ Consumer} + .256 \text{ Environment} + .357 \text{ Society} + .043 \text{ Fair operation} + .073 \text{ Size} - .206 \text{ Age} + \text{error} \quad (\text{Model B})$$

Table 4

Multiple regression

Variables	Model A		Model B	
	t	Sig.	t	Sig.
Constant	-.873	.385	-.018	.986
Employee	3.514	.001**	3.379	.001**
Consumer	.736	.464	.039	.969
Environment	2.514	.010**	2.666	.009**
Society and community	3.332	.001**	3.793	.000**
Fair operation	.395	.694	.632	.529
Size	-	-	1.183	.240

Age	-	-	-3.411	.001**
R square	.677			.715
Adjust R square	.657			.693
F Value (Sig.)	37.784 (.000**)		31.613 (.000**)	

** is significant at 0.01 level, and * is significant at 0.05 level

Moreover, this study also tested the sensitivity analysis of each perspective of firm performance measured by BSC consisting of financial, customer, internal process, and learning perspectives. Therefore, Table 5 showed the influence of CSR and hotel's characteristics on each perspective of performance measured by BSC. All models also provided a high level of independent variables' ability to forecast dependent variable with R square and Adjust R square of 60.70, and 46.70 percent in financial model, 58.30 and 55.00 percent in customer model, 66.40 and 63.70 percent in internal process model, and 67.30 and 64.70 percent in learning and growth model. For the financial and customer perspectives, the study found significant positive influence of employee, and society and community on hotel's performance at 0.01 level, while there was negative influence of hotel's age on the performance at 0.01 level. For internal perspective, there were three positive influences of CSR on the hotel performance which were employee, environment, and society and community, but no influence from consumer, fair operation, size, and age on the performance at 0.05 level. Finally, in learning and growth perspective, the study found the significant positive influence of employee, environment, and society and community on hotel's performance at 0.01, and 0.05 levels, while there was negative influence of hotel's age on the performance at 0.05 level.

Table 5

Robustness test

Variables	Financial	Customer	Internal	Learning and growth
	t (Sig.)	t (Sig.)	t (Sig.)	t (Sig.)
Constant	1.007	.185	-1.077	-.600
Employee	2.721**	1.941*	2.445*	3.207**
Consumer	-.492	1.207	.465	-1.191
Environment	-.333	1.235	4.044**	3.722**
Society and community	3.320**	3.225**	2.647*	2.054*
Fair operation	1.107	.671	-1.128	1.599
Size	1.636	.916	.187	.750
Age	-3.875**	-2.939**	-1.434	-2.127*
R square	.507	.583	.664	.673
Adjust R square	.467	.550	.637	.647
F Value (Sig.)	12.787**	17.394**	24.814**	25.589**

** is significant at 0.01 level, and * is significant at 0.05 level

Conclusions and Suggestions

From the two main objectives, the study aimed to investigate the extent and level of corporate social responsibility and firm performance measured by BSC of hotels in Thailand's Southern border provinces, and to examine an influence of corporate social responsibility and firm performance measured by BSC. The study found that corporate social responsibility in terms of consumer, fair operation, employee, and environment were at a high level, while society and community was at a moderate level. Overall, the performance measured by BSC of hotels in Thailand's five Southern border provinces was at a high level. For each perspective of performance measured by BSC, even though customer and learning perspectives were at a high level; financial and internal process perspectives were at a moderate level. The results of the test of the influence of CSR on performance measured by BSC, indicated that employee, environment, and society and community responsibilities had a significant positive influence on the performance, while there was a significant negative influence of hotel's age on performance measured by BSC. However, the study did not find any significant influence of consumer, fair operation, and hotel's size on the performance of hotels as measured by BSC.

The study's findings provides several contributions and implications. First, this is the first study examining the influence of CSR practice on corporate performance by BSC of hotels in the Thai context, particularly those located in Thailand's Southern border provinces, where there have been no previous studies. Second, the study's findings are able to explain how and why the stakeholder theory is able to be used to test the influences of CSR on firm performance measured by BSC. While each stakeholder has the right to be served by firms' actions and activities, the firms themselves can, in turn, expect the benefits of their corporate responsibilities with improved reputation and loyalty as well as better performance and value. The study's results, thirdly, can act as a guide for hotels' key persons such as CEO, marketing manager, human resource manager, and general manager to look at the CSR practice as a benefit tool for increasing and improving their performance, especially to focus more on corporate responsibilities to employee, environment, and society and community as they can help hotels achieve greater performance and value. Fourth, the implication of the study can be a guide for the policy makers who can regulate the appropriate and specific CSR for hotels. Finally, the results contribute that the business organizations can balance their economic responsibility along with social and environmental responsibility, aiming to attain corporate sustainable development.

Nevertheless, there are some limitations of this study that have to be mentioned. For example, the sample was limited within Thailand's five Southern border provinces, while there are a total of 14 provinces located in Southern Thailand. Next, this study chose a mail questionnaire to investigate the extent and level of CSR and performance measured by BSC, but the questions were close-ended questions and cannot be asked for the explanation and detailed answers. Finally, there are other hotel's characteristics that this study did not apply. Therefore, from limitations mentioned above, the suggestions of

future study will be to expand the sample size covering all Southern Thailand region, and depth interview can be employed. The other control variables of hotel's characteristics can be used for the future studies such as hotel's star rating, market capitalization, hotel's location, and hotel's branches.

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